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JCP's good fight in unified local elections: We will do our best to realize our pledges

3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, April 23

NIHON KEIZAI (Page 2) (Full) April 24, 2007

08:34

Attended a meeting of the Education Revitalization Council.

10:00

Met MOFA North American Affairs Bureau chief Nishimiya, followed by Defense Ministry Defense Policy Bureau chief Ofuru and others.

11:18

Met Monaco Prince Albert II, followed by Vice Finance Minister Fujii, Vice Minister of Finance for International Affairs Watanabe and others.

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12:01

Attended a government, ruling coalition liaison meeting. Afterward met advisor Nemoto.

13:25

Gave an interview to the cabinet press club.

14:00

Met NPA Commissioner General Uruma, followed by Supreme Court Chief Justice Shimada.

14:45

Met Economic and Fiscal Policy Minister Ota, joined in by Nemoto and others.

16:08

Held cabinet meeting to discuss the summit venue with Foreign Minister Aso, National Public Safety Commission Chairman Mizote, and Chief Cabinet Secretary Shiozaki.

16:53

Appeared on an NTV program in Nibancho.

18:16

Attended a Security Council of Japan meeting at Kantei.

18:57

Returned to his official residence.

4) Abe seeks constitutional reinterpretation for collective self-defense

NIHON KEIZAI (Page 2) (Abridged) April 24, 2007

In connection with the government's plan to set up an expert panel for specific case studies on collective self-defense, Prime Minister Shinzo Abe, meeting the Cabinet Press Club yesterday, said he would like the panel to discuss how to interpret the Constitution given the changes over time. His remark can be taken as giving heed to specific cases like sending the Self-Defense Forces overseas and building a missile defense shield. The remark sought the panel's positive discussions to reinterpret the Constitution that prohibits Japan from exercising the right to collective self-defense.

Abe has so far gone no further than to say he would proceed with studies on specific cases where Japan is constitutionally allowed to participate in collective self-defense. The premier has now taken an in-depth stance for collective self-defense. "I would also like to explain my thoughts in campaigning for the election," Abe said. With this, the premier indicated that he would go to the people on the advisability of amending the Constitution in this July's election

for the House of Councillors. In this connection, a government source clarified that the government would set up an expert panel in mid-May and reach a conclusion this fall.

5) Main points from Abe interview

NIHON KEIZAI (Page 2) (Full) April 24, 2007

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The following is a gist of Prime Minister Shinzo Abe's remarks to the Cabinet Press Club in an interview held yesterday.

Diet by-elections

We're going to analyze why we lost and why we won. By doing so, we'll provide for the next election. We have more seats now in the Diet's upper chamber. In my view, however, we're even (with the opposition bench).

US visit

It's my understanding that I've already received confidence (from President Bush). My predecessors visited the United States soon after they came into office. But we're no longer in such an era.

Wartime comfort women

In consideration of the circumstances of comfort women in those days, I want to express my heartfelt sympathy for them as the prime minister.

North Korean abductions

I will talk (in the US) about the need to cooperate in order to resolve the problem. Of course, I will ask the United States to consider the abduction issue in delisting that country as a terror sponsor. If we can confirm that they are taking specific steps for all Japanese abductees to return home, I'd like to take it as progress (on the abduction issue).

Upper House election

Constitutional revision always needs political energy. I would also like to explain my way of thinking in campaigning for the election to continue my appeal to the nation. Basically, we want to win in all electoral districts.

Politics and money

We're saying we've been doing things under the rules we've made. However, there are also some people who are saying that's strange in the public eye. It's the legislature's responsibility to make rules that are closer to the people's common sense.

Collective self-defense

The international situation surrounding Japan has now undergone a sea change. I want to make legislative preparations so that Japan can make even more contributions in the international community. I also want them to discuss how we should interpret the Constitution in the changing times.

6) LDP to set up special panel on collective self-defense

NIHON KEIZAI (Page 2) (Full) April 24, 2007

The ruling Liberal Democratic Party intends to set up a special committee to study the right to collective self-defense, LDP Policy Research Council Chairman Shoichi Nakagawa said yesterday. The government, in its constitutional interpretation, prohibits Japan

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from exercising the right. Nakagawa was replying to a question from reporters at LDP headquarters. The LDP will launch the special committee directly under its policy chief. Former Defense Agency Director General Shigeru Ishiba is expected to preside over the special committee.

7) MSDF info leak also on agenda for bilateral security talks: Moriya $\,$

MAINICHI (Page 2) (Full) April 24, 2007

Japan and the United States are scheduled to hold a two-plus-two foreign and defense ministerial meeting of their intergovernmental security consultative committee in Washington on May 1. On that occasion, the top security meeting is expected to discuss the Maritime Self-Defense Force's recently exposed information leakage case, Administrative Vice Defense Minister Takemasa Moriya told a news conference yesterday. In the leakage case this time, an MSDF petty officer second class is alleged to have taken out files that contained Aegis vessel data. "There was a case of Aegis data leakage, so they will talk about confidentiality protection and information management in Japan," Moriya said.

Aegis vessel data is related to US military technology, so the Defense Ministry is taking a serious view of the case this time.

8) Removing North Korea from list of state sponsors of terrorism: Prime minister to ask US president to give consideration to abduction issue

TOKYO SHIMBUN (Page 2) (Full) April 24, 2007

With his first visit to the US as prime minister just ahead, Prime Minister Shinzo Abe yesterday afternoon responded to an interview by members of the cabinet press club. Abe during the interview clarified his intention to ask President Bush to give consideration to the issue of the abductions of Japanese nationals by North Korea in judging whether to remove that nation from the list of state sponsors of terrorism.

The prime minister pointed out, "In my view, the president is most acutely aware among US government officials that the abduction issue is a serious problem that must be settled by all means." He also noted that he wants to discuss the need for Japan and the US, and the international community to join forces.

Regarding the heightening criticism of Japan over the wartime comfort women issue, Abe stated, "If reporters ask me about the issue in the US, I will respond. I share the stance taken by then Chief Cabinet Secretary Kono in 1993 and letters sent to former comfort women by past prime ministers. The human rights issue strikes a chord with people."

9) Prime minister: "Japan will not accept reinvestigation into abduction issue merely for form's sake" in exchange for energy aid

ASAHI (Page 1) (Full) April 24, 2007

Prior to his fist visit to the United States as prime minister

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starting on April 26, Shinzo Abe responded to an interview with the Asahi Shimbun yesterday. Regarding "progress on the abduction issue" set forth as a precondition for Japan's energy aid to North Korea as agreed on in the latest six-party talks, the prime minister said: "Both sides (Japan and the US) share the view that a reinvestigation merely for form's sake is unacceptable. The issue must be completely settled. Should the initial step be taken, we will recognize for the first time that progress has been made." The prime minister also revealed that he would call on President Bush during their meeting to take a tougher stance toward North Korea.

The prime minister said: "In the summit, I would like to stress the need to widen and deepen the bilateral alliance." Taking up the fact that no progress has been made on the initial steps to be taken by the North, as agreed on during the six-party talks, toward its nuclear disarmament, Abe said: "We would like to also frankly discuss how to urge the North to live up to its words."

Prime Minister Abe further said: "(The president) is the person most aware in the US government of the seriousness of the abduction issue." Asked about his response to the idea of Washington delisting North Korea as a state sponsor of terror, Abe stated he would urge the US to move cautiously.

Regarding the issue of so-called comfort women, Abe revealed that in the teleconference with President Bush on April 3, he had offered an apology for the comfort women and had told him: "In the 20th century, there were various abuses of human rights. Japan was also involved in such acts." Abe remarked that he would give similar replies if asked by the media in the US.

10) Prime minister to be accompanied on Middle East visit by 180 business leaders, including Nippon Keidanren chairman

YOMIURI (Page 11) (Full) April 24, 2007

A delegation headed by Fujio Mitarai, chairman of the Japan Business Federation (Nippon Keidanren), will travel to the Middle East for six days to link up with Prime Minister Abe on his visit to the region. The aim is to secure stable supply of resources and energies from Middle East nations, as well as to determine in what way Japan's business circles can assist and cooperate them in their efforts to diversify such industry areas as the manufacturing, tourism and financial services sectors.

Approximately 180 persons from about 70 companies and organizations related to general trading companies, petrochemistry and energy, starting with chairman Mitarai, will join the delegation. It is going to be the largest-ever mission to the Middle East. This is going to be the second time for Nippon Keidanren to dispatch a delegation in the form of joining the prime minister on a foreign visit, following the one to Vietnam last November.

They plan to visit six cities in five countries - Saudi Arabia, the United Arab Emirates (UAE), Qatar and Egypt -- and exchange views with their economic ministers and local business circles. By joining the prime minister, the delegation will play up its stance of strengthening economic relations with Middle East nations as a joint effort of government and private sector.

11) Lake Toya picked as G-8 summit venue; Government places priority

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on environment and security

MAINICHI (Page 1) (Excerpts) April 24, 2007

The government yesterday picked the Lake Toya spa resort area in Hokkaido as the venue for the G-8 summit, which Japan will host next year. Prime Minister Shinzo Abe chose the Lake Toya area because he thinks the area surrounded by a rich natural environment is an appropriate location, as environmental issues will become a major issue in the summit and because it will be easier to enforce security for foreign dignitaries than it would be at big cities. The 2008 G-8 summit will be the fifth for Japan to host. Japan will host the summit in a regional area, following the Kyushu-Okinawa summit in 2000. The government is in final coordination to pick host cities for other ministerial talks from other cities that submitted bids to host the summit.

12) Revised public servant law to focus on restrictions on amakudari practice, placing final responsibility for assistance, monitoring on prime minister

ASAHI (Top Play) (Excerpts)

The government will adopt a bill amending the National Civil Service Law today. The bill features restrictions on the practice of former government officials landing lucrative jobs in the private sector after retirement (amakudari) by placing the authority and responsibility for the amakudari practice on the prime minister. The bill specifies that the prime minister should offer re-employment assistance for retiring officers. Under the current law, each government office is in charge of the assistance. The bill proposes setting up a mechanism under which a public-private sector personnel exchange center (human resource bank) and a monitoring committee will be established in the Cabinet Office and will function with "authority" from the prime minister. The prime minister will bear final responsibility on whether the amakudari practice is actually restricted or not.

As measures to restrict the amakudari practice, the National Personnel Authority is now tasked with prior examination. Under the new legislation, the public-private sector personnel exchange center will engage in helping retiring officials to find a new job in an integrated formula. By clarifying the prime minister's responsibility for both re-employment assistance and monitoring, an extremely heavy responsibility will be placed on the prime minister. In addition, a new duty related to retirement management for officials will be added to the prime minister's work, including assistance for retiring officials and for the smooth implementation of personnel exchanges between the public and private sectors.

13) Ban on triangular mergers to be lifted next month: Yomiuri survey finds 30% of leading companies anticipate progress in industrial reorganization; 15 companies predict active mergers between domestic companies

YOMIURI (Page 3) (Full) April 24, 2007

A poll conducted by the Yomiuri Shimbun found that 15 of 100 leading companies surveyed predict that there will be more mergers between

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domestic companies when the ban on a triangular merger system of transferring stocks of the parent company to shareholders of the company being bought out is lifted in May. The Japan Business Federation (Nippon Keidanren) insists that triangular mergers will accelerate purchases of Japanese companies by foreign corporations. However, it appears that a sense of vigilance to M&As between domestic companies is apparently beginning to mount.

The poll was conducted on 100 leading companies in mid-April, asking how they are preparing for triangular mergers and what possible impact they think the removal of the ban will have on business circles (more than one reply was allowed). Twenty-two companies said, "Foreign corporations will strengthen their buyout offensive against Japanese companies." Twenty-nine pollees replied, "The introduction of the triangular merger system will push forward industrial reorganization." Of the 29, 10 said that industrial reorganization would progress in the industrial sector to which they belong. More than one company from the electric, chemical and retailing industries anticipated industrial reorganization.

Communications and trading industries were negative about industrial reorganization in their sectors.

The adoption of the triangular merger system has been put off for a year due to lack of preparations on the corporate side. Only 12 companies replied that they have already introduced measures to guard against takeover bids. The number of companies that are now considering adopting such measures stood at 22. As other countermeasures, 33 companies are either already implementing expanded shareholder special benefit plans and have increased dividends or are considering such measures. Ten companies are either implementing an expanded system of cross-holding of stocks or considering such. More companies appear to be giving priority to securing stable shareholders instead of taking measures to guard against takeover bids.

14) Nationwide local elections leave Minshuto with mounting challenges

NIHON KEIZAI (Page 2) (Excerpts) April 24, 2007

The ruling and opposition camps are preparing themselves for the Upper House election in July based on their analyses of the results of the first and second rounds of the nationwide local elections that ended last Sunday. Although the major opposition Minshuto (Democratic Party of Japan) has made a big leap in prefectural and city assemblies, the party also faces mounting challenges, such as its small share compared to the ruling Liberal Democratic Party and the presence of conservative independent local chiefs who are said to be "hidden LDP members." The LDP is also having a hard time determining its measures for unaffiliated voters. With a national election only three months away, both the ruling and opposition blocs have yet to come up with any effective strategies.

Minshuto garnered 375 seats in the April 8 prefectural assembly elections and 374 in the April 22 city assembly races. They were a record increase of 83% and 28% in the prefectural assemblies and city assemblies, respectively, from the previous 2003 election (now defunct Liberal Party not included).

Local assemblymen are the main workforce who cultivate votes in national elections. Identifying the task of strengthening local

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organizations as the top priority for the Upper House election, Minshuto President Ichiro Ozawa succeeded in fielding 81% more prefectural assembly candidates and 25% more city assembly candidates as compared with the previous election.

Minshuto Secretary General Yukio Hatoyama, based on the party's defeat in the Okinawa by-election, indicated on April 23 a review of the strategy of joining efforts with other opposition parties, saying: "We need to examine whether we should continue cooperating with other parties as before. We need to push our strength to the forefront eve more."

Hatoyama's comment came from concern in the party that cooperation with the Japanese Communist Party and the Social Democratic Party would drive away conservative voters. Minshuto is not considering joining hands with other opposition parties, including the JCP, for the Upper House lection. An SDP lawmaker took this view: "Now that Minshuto has made a big leap in local elections, the largest opposition party is beginning to take an aggressive attitude."

In fact, the cooperative relationship with the SDP has begun to crumble. For instance, in a single-seat district in Oita, Minshuto had first undertaken coordination for fielding the SDP candidate, but the Minshuto prefectural chapter searched for ways to field its own candidate. In a two-seat constituency in Niigata, coordination between Minshuto and the SDP for fielding one candidate each stalled, and Minshuto ended up endorsing two.

But the results of the recent local elections do not allow Minshuto to indulge in optimism. Minshuto's share in prefectural assemblies is still far smaller than that of the LDP, although the difference in city assemblies has shrunk. Minshuto's share has increased from 7.8% to 14.7%, which is still one-third of the LDP's 47.6%.

LDP alarmed at decrease in local seats

In the city assembly elections, the LDP won a total of 598 seats, down 216 from the previous race. Although the drop is partially attributable to ongoing municipal mergers, the problem is that the party's share has also declined to 7.5%. The LDP is now acutely alarmed at the weakened campaigning rooted in local regions.

LDP Secretary General Hidenao Nakagawa, however, showed confidence yesterday about winning independent local assemblymen over to the LDP, saying: "The majority of independent local assemblymen are conservative-centrists. Many are in favor of the Abe cabinet's efforts to create a beautiful country."

But some LDP lawmakers are wary of the party's declining presence in local areas, as seen in its relations with local organizations.

New Komeito Secretary General Kazuo Kitagawa took this view in yesterday's liaison meeting between the government and ruling parties: "Minshuto has gained more seats than the previous race. We must analyze the results thoroughly and have them reflected in (our measures for the Upper House election)." LDP Policy Research Council Chairman Shoichi Nakagawa called for strong measures for unaffiliated voters, saying: "The question is how to grab the hearts of swing voters who hold the casting vote."

15) Ruling, opposition camps to strengthen campaigning for Upper House election, focusing on organizational measures

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YOMIURI (Page 4) (Excerpts) April 24, 2007

Summing up Sunday's House of Councillors by-elections in Okinawa and Fukushima prefectures, as well as the unified local elections, the ruling and opposition parties began yesterday the work of looking into measures to strengthen their campaigns for the summer's Upper House election. The ruling Liberal Democratic Party (LDP) will make efforts to tighten up their organizations and win support from voters not affiliated with any party. Minshuto (Democratic Party of Japan) President Ichiro Ozawa indicated that his party would strive to boost its political base while maintaining cooperation with other opposition parties.

Prime Minister Shinzo Abe was briefed yesterday morning by LDP Secretary General Hidenao Nakagawa on the results of the unified

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nationwide elections and the Upper House by-elections at the Prime Minister's Official Residence. Abe told Nakagawa: "As a whole, we put up a good fight. I want you to analyze the causes of victory and defeat for this summer's Upper House election."

The LDP sees the main reasons for its crashing defeat in the by-election in Fukushima and a neck-and-neck race in Okinawa is that floating votes went to the opposition. LDP Upper House Caucus Secretary General Toranosuke Katayama told reporters yesterday in

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the Diet building: "It is important to come up first with organizational measures and present policy measures acceptable to unaffiliated voters."

Many in the LDP are concerned about Minshuto's sharp increase its presence in prefectural assemblies. The LDP, therefore, intends to rebuild regional organizations, including its prefectural chapters. The party's Upper House Caucus Chairman Mikio Aoki has set the goal of winning 20 of the 29 single seats up for grabs, and 15 seats in the proportional representation segment.

Secretary General Nakagawa and Election Strategy Headquarters

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Director Yoshio Yatsu discuss measures for the Upper House election last evening at party headquarters. They confirmed that the party would place priority on measures for the single seats up for grabs. They also decided to give guidance separately to eight new-face candidates for the single seats up for grabs.

16) Victory in Upper House by-election in Okinawa makes ruling bloc confident in arguing down opposition bloc over "social disparities" problem

TOKYO SHIMBUN (Page 2) (Excerpts) April 24, 2007

Kei Sato

The two Upper House by-elections in Okinawa and Fukushima ended with the ruling Liberal Democratic Party (LDP) and its junior coalition partner New Komeito winning Okinawa but losing Fukushima. This outcome has made the ruling parties deepen their confidence in arguing down the major opposition party Democratic Party of Japan (Minshuto or DPJ) over the problem of social and income disparities, ahead of the upcoming full-fledged Upper House elections set for July. The ruling bloc has now judged that voters favored such measures shown by the government and the ruling bloc as revitalizing

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the region instead of the correction of disparities in the society as emphasized by the Minshuto in its campaign for the two by-elections.

"We will take up the glove to debate the question of social disparities. 'Disparities' can't be corrected only by chanting a mantra, 'correction of disparities,'" Prime Minister Abe said on an NTV program last evening, provoking the Minshuto, which aims

The LDP was defeated in Fukushima, but it won victory in Okinawa, which is a good showcase of regional disparities between urban and rural areas. This result has spread a "sense of victory" in the ruling parties, with LDP Secretary General Hidenao Nakagawa saying, "The voters concluded that the ruling parties are capable of resolving the disparity problem."

The question of disparities became a political issue in the last days of the former Koizumi administration. Since then the ruling bloc has come frequently under fire from the opposition parties, which argue that the structural reform line has broadened disparities.

By calling the current Diet session a Diet focusing on correcting disparities, the Minshuto attempted to drive the Abe administration into the corner. But the Minshuto was thrown into confusion in dealing with such problems as its President Ichiro Ozawa's political funds reports, in which large expenses for the purchases of properties were recorded as the office expenses. Taking this opportunity, the ruling camp has struck back since the start of the first part of the unified local elections as Nakagawa has argued, "It is the ruling parties that can realize the correction of disparities."

This approach has worked well. The ruling bloc gained three wins and two losses in the five gubernatorial elections where the ruling parties had a showdown with the Minshuto, such as Hokkaido and Tokyo.

In the Upper House by-elections and the latter part of the unified local elections, the ruling bloc stepped up its criticism of the Minshuto, with Abe saying, "All the opposition parties are doing is just complaining about disparities" and New Komeito Representative Akihiro Ota saying, "What have the opposition parties done to correct the disparities?" The ruling parties were also energized by the Minshuto's failure in presenting measures to correct disparities, even though it emphasizes the need to correct disparities.

The Minshuto, however, will rebuild its strategy as its Secretary General Yukio Hatoyama said, "We will use our defeat in Okinawa and this chagrin as a springboard (to win victory in the Upper House elections)." If the ruling parties were simply satisfied with the victory in Okinawa, they could stumble.

17) 39 lawmakers visit Yasukuni Shrine for spring festival

MAINICHI (Page 5) (Full) April 24, 2007

Yesterday 39 members of the nonpartisan Diet members' group to pay homage at Yasukuni Shrine visited the Shinto shrine in Kudan-Kita, Tokyo, for the shrine's spring festival. Former Agriculture Minister

Yoshinobu Shimamura headed the group. A total of 159 members, which include 37 Liberal Democratic Party (LDP) members, two Minshuto (Democratic Party of Japan) members, and proxies for lawmakers, visited the shrine. The number of lawmakers visited the shrine was less than usual since the festival took place the day after the unified local elections.

No cabinet ministers and senior vice-ministers visited Yasukuni. However, Toshiei Mizuochi, state secretary for education, culture, sports, science and technology, and State Secretary for Justice Shinsuke Okuno paid their respects at the shrine.

Prime Minister Shinzo Abe did not visit there during the spring festival.

SCHIEFFER